

**RECEIVED**

PURCHASED WATER ADJUSTMENT FOR  
WATER DISTRICTS AND WATER ASSOCIATIONS  
(807 KAR 5:068)

JUN 1 2017

Public Service  
Commission

Name of Utility	Kirksville Water Association	
Date	May 17, 2017	
Address	P.O. Box 670	
City, State, Zip	Richmond, KY	40476-0670
Telephone Number	859-624-1735	

1.a. Name of all wholesale suppliers and the base (current) rate and changed rate of each. In the event the water purchased is billed by the supplier on a rate that is not a flat rate schedule, the entire rate schedule must be shown. Attach additional sheets if necessary.

Supplier(s)	Base Rate	Changed Rate
Richmond Utilities	\$2.35332 per 100 cf	\$2,38391 per 100 cf
KY River Authority	\$0.134 per 100 cf	\$0.134 per 100 cf
Total	\$2.48732 per 100 cf	\$2.51791 per 100 cf

1.b. A copy of the supplier's notice of the changed rate showing the effective date of the increase is attached as Exhibit #1

2. Twelve-month period upon which the purchased water adjustment is based. (This twelve-month period must end within 90 days of this filing).

From	April 1, 2016	through	April 3, 2017
	(month and year)		(month and year)

3. Statement of water purchases. Where water is purchased from more than one supplier, purchases from each supplier must be shown separately. If water is purchased through a declining block rate schedule, purchases for each month must be shown. Attach an additional sheet if necessary.

Supplier(s)	Gallons Purchased during 12 month period
Richmond Utilities	111,520,816
TOTAL PURCHASES	111,520,816
4. Total gallons sold for the 12 month period	93,287,316
5. Increased water cost	\$4,560.73
The increased water cost is the cost difference between purchases at base (current rate) and purchases at new rate.	
6. Purchased water adjustment factor	\$0.05 per 1000 gallons
The purchased water adjustment factor is obtained by dividing the increased cost of water by the total gallons sold.	
<p>Note: The purchased water adjustment factor is added to each thousand gallons sold. If the minimum usage is 2,000 gallons then the purchased water adjustment factor would be added to the minimum bill twice. <del>Revised tariff sheets must be attached showing the rate to be charged by the utility and the effective date of the increased rates.</del> ***No longer required***</p>	
7. Proposed effective date	July 1, 2017
Signature of Utility Officer	
(Billy May) President	
Title	

807 KAR 5:068. Purchased Water Adjustment for Water Districts & Water Associations.

Section 1(1). "Application" means:

- X A completed Purchased Water Adjustment Form 1
- X A schedule listing current and proposed rates
- X A copy of the supplier's notice showing a change in the supplier's base rate
- X The calculation and all supporting documents used to determine the change in purchased water costs sufficient to determine the accuracy of the calculation
- X A copy of the resolution or other document of the utility's governing body authorizing the proposed rates

- ~~If the applicant is a water district and proposes to increase any of its rates for service, a statement from an authorized official of the district indicating the date its proposed rate adjustment was reported to the governing body of the county in which the largest number of its customers reside and the date it presented testimony, or is scheduled to present testimony~~

**\*\*\*No longer required\*\*\***

## List of Exhibits

Exhibit #1 – Suppliers Notice

Exhibit #2 – Gallons Purchased / Sold (4/1/16 to 4/3/17)

Exhibit #3 – Calculations

Exhibit #4 – Proposed Billing Rates

Exhibit #5 -- Resolution

# Richmond Utilities

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PO BOX 700  
Richmond, KY 40475  
859-623-2323

May 1, 2017

## NOTICE

Richmond Utilities is providing notice that on May 1, 2017, it filed with the Public Service Commission to increase the wholesale rate it charges Kirksville Water Association and Madison County Utility District effective for water service on and after July 1, 2017. The proposed rates are as follows:

	<u>Current Rate</u>	<u>New Rate</u>	<u>\$ Change</u>	<u>% Change</u>
Kirksville Water Association	\$2.35332 per 100 cubic feet	\$2.38391 per 100 cubic feet	\$0.03059 Increase	1.3% Increase
Madison County Utility District	\$2.35332 per 100 cubic feet	\$2.38391 per 100 cubic feet	\$0.03059 Increase	1.3% Increase

Water flowing through the meter(s) before the effective date will be charged at the current rates while water flowing through the meter(s) on and after the effective date will be charged at the new rates.

In accordance with Public Service Commission procedures, the effective date of the new rates cannot be prior to the expiration of a 30-day notice given to the Commission, Kirksville Water Association and Madison County Utility District.

This filing may be examined at the offices of Richmond Utilities located at 300 Hallie Irvine Street in Richmond, Kentucky.

This filing may also be examined at the offices of the Public Service Commission located at 211 Sower Boulevard in Frankfort, Kentucky, Monday – Friday from 8:00 am – 4:30 pm or on the PSC website at <http://psc.ky.gov>.

Comments regarding this filing may be submitted by mail to the Public Service Commission, Post Office Box 615, Frankfort KY 40602; or through its website at <http://psc.ky.gov>.

The new rates are the rates proposed by Richmond Utilities in its filing but the Public Service Commission may order rates that differ from the proposed rates.

Intervention may be requested by submitting a timely written request for intervention by mail to the Public Service Commission, Post Office Box 615, Frankfort, KY 40602. The request for intervention must establish the grounds for the request including the status and interest of the party.

If the Public Service Commission does not receive a written request for intervention within thirty (30) days of the providing of this notice, the Public Service Commission may take final action on the filing.

Kirksville Water Association  
2016 Water Purchase/Sold Summary

Time Period	Gallons Water Purchased	Gallons Water Sold	Dollar Amt of Water Sales
1/4/16 - 2/1/16	8,372,364	6,966,380	\$68,559.25
2/1/16 - 3/1/16	8,082,888	6,807,470	\$67,696.91
3/1/16 - 4/1/16	8,156,192	7,727,713	\$74,883.63
4/1/16 - 5/2/16	9,109,892	7,147,190	\$70,153.54
5/2/16 - 6/1/16	8,989,464	7,491,704	\$72,956.24
6/1/16 - 7/1/16	10,921,548	9,730,848	\$89,817.68
7/1/16 - 8/1/16	11,119,768	8,041,543	\$76,869.03
8/1/16 - 9/1/16	11,145,200	9,161,886	\$85,361.29
9/1/16 - 10/3/16	11,510,972	8,328,180	\$78,891.92
10/3/16 - 11/1/16	8,830,140	7,387,269	\$72,030.21
11/1/16 - 12/1/16	8,165,916	9,244,995	\$85,686.10
12/1/16 - 12/30-16	7,704,400	6,836,460	\$68,083.74
Totals:	<del>112,168,744</del> 87,497,300	<del>94,871,638</del> 73,370,075	<del>\$910,989.54</del> \$699,849.75

Kirksville Water Association  
2017 Water Purchase/Sold Summary

Time Period	Gallons Water Purchased	Gallons Water Sold	Dollar Amt of Water Sales
12/30/16 - 2/1/17	8,452,400	7,946,384	\$76,845.81
2/1/17 - 3/2/17	7,114,228	5,692,500	\$59,145.71
3/1/17 - 4/3/17	8,456,888	6,278,357	\$63,742.51
Totals:	24,023,516	19,917,241	\$199,734.03
To fall (12 month period)	111,520,816	93,287,316	\$899,583.78

### Exhibit #3

#### KWA Calculations

5. Increased Water Cost:

\$2.48732/100 cu ft to \$2.51791/100 cu ft

111,520,816 gals / 7.48 = 14,909,200 cu.ft.

14,909,200 cu.ft. x \$2.51791/100 cu ft = \$375,400.24

14,909,200 cu.ft. x \$ 2.48732/100 cu ft = \$370,839.51

**\$4,560.73 Increased Water Purchase Cost**

6. Purchase Water Adjustment Factor:

\$4,560.73 / 93,287,316 gallons

= \$0.0489 per 1,000 gallons

= **\$0.05 per 1,000 gallons**

#### Exhibit 4

#### Kirksville Water Rates

		<u>Existing</u>	<u>Proposed</u>	
First	2,000 gallons	\$19.49	\$19.59	Minimum Bill
Next	3,000 gallons	\$9.39	\$9.44	per 1,000 gallons
Next	5,000 gallons	\$7.92	\$7.97	per 1,000 gallons
Over	10,000 gallons	\$6.70	\$6.75	per 1,000 gallons



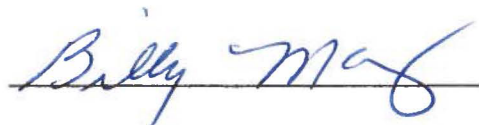
## RESOLUTION FOR PASS THRU RATE INCREASE

### Kirksville Water Association

WHEREAS Kirksville Water Association proposes to raise their water rates to offset an increase in their wholesale purchase rates from Richmond Utilities.

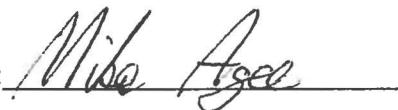
NOW THEREFORE BE IT RESOLVED by the Commissioners of Kirksville Water Association that Billy May, President is authorized to execute and submit an application to the Kentucky Public Service Commission to raise the Kirksville Water Rates by \$0.05 per 1000 gallons.

Adopted this 17<sup>th</sup> day of May, 2017

A handwritten signature in blue ink that reads "Billy May" is written over a horizontal line.

Billy May, President

Kirksville Water Association

Attest: A handwritten signature in blue ink that reads "Mike Agee" is written over a horizontal line.

Mike Agee, Manager